

**Small Business Stakeholder Subgroup Teleconference  
for Surface Coating of Plastic Parts**  
Telecon Summary - June 25, 1998

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The following is a summary of the first conference call of the small business stakeholder subgroup for the presumptive maximum achievable control technology (P-MACT) phase of the regulatory development process for the surface coating of plastic parts. The conference call was held on June 25, 1998. An agenda for the conference call is included as attachment A.

Teleconference participants are listed in attachment B.

Introduction

Bruce Moore, EPA's project lead, thanked the attendees for their participation. He explained that it is important for small businesses to participate in the regulatory process so that EPA can learn of constraints or special concerns that are unique to them. The EPA recognizes that it is usually less difficult for larger facilities to comply with a new rule, as they often have greater resources, such as research and development capabilities, than smaller businesses. Mr. Moore explained that EPA is in the data collection phase of the project and that information on control technologies, pollution prevention practices, and use of low HAP (hazardous air pollutants) and VOC (volatile organic compounds) coatings is being collected by various means, including site visits and industry questionnaires. Currently, EPA is nearing the end of the P-MACT process (to be finalized in September). The EPA will summarize in a P-MACT document the readily available data that has been collected to characterize the industry, emissions, and typical control techniques.

Ed Laird, Coating Resources Corporation, asked when EPA had begun a shift to the use of add-on pollution control devices rather than pollution prevention techniques. He indicated that it is often difficult for small businesses to comply with add-on control requirements, because installation is costly. In addition, Mr. Laird stated that with the increase in development of water-based coatings, the need for add-on controls to reduce emissions has lessened. Charles Logan, Florida Department of Environmental Protection Small Business Assistance Program, agreed that EPA should focus on pollution prevention and other source reduction techniques. Mr. Moore replied that pollution prevention is a priority within EPA. It is his intent that the rule

offer as much flexibility as possible so that businesses can choose how they want to comply, whether it be through the use of add-on controls, pollution prevention methods, low HAP and VOC coatings, or other techniques, alone or in combination. Mr. Laird stated that he is concerned that EPA is mandating the use of add-on controls in Region 9, and that the South Coast Air Quality Management District in California is requiring lowest achievable emission rate (LAER) technology. Mr. Moore pointed out that LAER is for new sources. He did not see that this issue could be addressed entirely under the MACT program. He reassured the group that pollution prevention techniques are being considered in the rule development.

### Project Status

Greg DeAngelo, Eastern Research Group, Inc. (ERG), EPA's contractor for the plastic parts surface coating project, provided a brief summary on the status of the project. A total of three general stakeholder meetings have been held in Research Triangle Park, North Carolina. [A fourth meeting of the entire stakeholder group is tentatively scheduled for September. All small business subgroup participants will be added to the general stakeholder contact list to receive information on the project periodically, as well as notices for upcoming stakeholder meetings.]

Mr. DeAngelo stated that two of the meetings have been held jointly with the metal parts and products surface coating project because there is a significant overlap between both projects. For example, metal and plastic are often coated together in certain manufacturing industries, such as heavy duty truck manufacturing. The meetings were held jointly to address overlapping issues. The summaries of all stakeholder meetings are available for viewing at EPA's Technology Transfer Network (TTN) website [[www.epa.gov/ttn/uatw/coat/plastic/plas\\_parts.html](http://www.epa.gov/ttn/uatw/coat/plastic/plas_parts.html)]. For those who do not have Internet access, these may be requested by contacting Heather Wright, ERG, at (919) 468-7890.

Site visits are an important part of EPA's information collection process as well. To date, five facilities have been visited. Three of the facility visits were conducted at heavy duty truck manufacturing sites and two were conducted at miscellaneous plastic products manufacturing sites. [Trip reports will be available in the project docket.] Upcoming site visits include two automotive assembly sites (one U.S. manufacturer and one international manufacturer), a facility which performs adhesives application, and at least one site using innovative technologies, such as

ultraviolet (UV) or powder coatings. Teleconference participants were asked to advise EPA of any site visits to small businesses that they believe would be beneficial to the project. Mr. Moore listed trips to Houston and San Antonio, Texas in July, as well as to Michigan, Tennessee, Indiana, Iowa, and California later this summer. Mr. Moore explained that not all are directly related to the plastic parts coating project and that he is also the project lead for the metal parts and products surface coating project. Additional site visits that teleconference participants could suggest in or near those locations would be helpful. Justine Burt, Texas Natural Resource Conservation Commission Small Business Assistance Program, agreed to try and develop a list of sites to visit the week of July 6 during EPA's trip to Texas. Mr. Logan agreed that EPA should visit some small plastics coating facilities and offered to provide EPA with potential locations for site visits in Florida. He encouraged the participants to let him know if they had any candidate sites in Florida. In addition, Mr. Laird offered to work with EPA to determine potential site visits in California stating that there are several toy, computer, and electronics manufacturers that may be able to provide EPA with useful information. Mr. Moore asked that any site visit information be sent to him via E-mail at [moore.bruce@epamail.epa.gov](mailto:moore.bruce@epamail.epa.gov).

Ms. Burt asked if site visits are performed in conjunction with inspectors or other representatives of the State agencies. Mr. Moore explained that EPA notifies State agencies as a courtesy that a site visit is being performed, but they typically do not visit sites together as this sometimes inhibits the exchange of information. Mr. Logan raised the concern of maintaining confidential information gathered in site visits. Mr. Moore stated that EPA is aware of confidentiality issues as well, and that EPA has special procedures for protecting confidential information. Prior to conducting a site visit, EPA notifies the facility in writing, the procedures for handling confidential business information (CBI).

Mr. Moore indicated that with the advent of the Small Business Regulatory Enforcement Fairness Act (SBREFA), EPA is required to determine potential impacts of the rule to small businesses. Mr. Moore introduced Deborah Elmore, who is the SBREFA coordinator for EPA's Office of Air Quality Planning and Standards. Ms. Elmore stressed the importance of small business participation in the regulatory process. The EPA cannot develop a rule that takes into account the issues of small businesses, unless they receive information on how small businesses will be affected. She encouraged the participants to raise their issues with Mr. Moore and express

ideas on how best to solve them as well. In addition, Ms. Elmore suggested that people to use the website for enhancing communications.

Mr. Moore explained that the EPA is collecting information to regulate both HAP and VOC emissions from the use of coatings on plastic parts. The MACT standard will apply to major sources of HAPs. As such, it is possible that a number of small businesses may not be impacted by the NESHAP (National Emissions Standards for Hazardous Air Pollutants). Section 183(e) may affect more small businesses by regulating the VOC content of coatings through a national rule or a control techniques guideline (CTG) document because the applicability threshold is lower than for the NESHAP. The CTG would affect small businesses in ozone nonattainment areas.

Fin Johnson, North Carolina Small Business Assistance Program, asked if EPA has considered establishing an applicability cutoff for plastic parts coating facilities in the NESHAP. Mr. Johnson said that there is a precedence for this in the Wood Furniture NESHAP. He also thought that the CTG for the wood furniture source category applied to all facilities regardless of size. Ms. Elmore stated that this is the type of information that people should discuss with EPA, as EPA can use precedence developed in previous rules as guidance for new rules. Mr. Johnson added that the baseline year that is established in the MACT rules is another area of concern with small businesses. Again, he referenced the Wood Furniture NESHAP, which accommodated facilities that had made earlier emissions reductions. Mr. Laird also encouraged the EPA to consider the facilities that have made previous emission reductions. Ms. Burt also asked if applicability to the rule will be based on "potential to emit" and whether EPA has made any determinations on how "potential to emit" will be defined. Mr. Moore said that no such determinations have yet been made.

Mr. Moore indicated that EPA is also preparing to distribute an industry questionnaire. A generic questionnaire has been developed by EPA for use by all the MACT projects, but EPA may develop alternative, project-specific questionnaires. Mr. Moore stated that EPA is in the process of developing an alternative to the generic questionnaire that is tailored specifically for the plastic parts surface coating project. A draft of the alternative questionnaire is also posted on EPA's TTN website. Mr. Moore invited the small business subgroup participants to review the draft questionnaire and provide written comments to Mr. DeAngelo by July 1. The questionnaire is

scheduled to be distributed in late July with eight weeks to reply. Thus, the results of the information collection will not be incorporated into the P-MACT document. Data analysis is scheduled to be completed by the end of the calendar year.

Dave Darling, National Paint and Coatings Association (NPCA), was concerned that the definitions used in the various coating questionnaires being developed simultaneously for the ten different MACT coating projects are not consistent. He said that the NPCA has reviewed several of the surveys and that, in many cases, the definitions are not the same from project questionnaire to project questionnaire. Mr. Moore said that the projects had planned to use a common set of definitions and that he would investigate why there are discrepancies. Mr. Darling also asked about how CBI provided on the questionnaires is managed. Mr. Moore said that CBI is handled in the same manner by EPA as it is for the site visits.

Ms. Burt asked if the universe of the plastic parts surface coating industry has been defined by Standard Industrial Classification (SIC) codes. Mr. Moore explained that it is difficult to determine all the potentially affected SIC codes for this category, because there are no codes specific to the painting or coating of plastics. As such, many different types of businesses may perform plastic parts coating under various manufacturing codes. Ms. Burt gave an example and asked if sign painters would be covered under the rule. She stated that there are over 1,000 sign painters in Texas who probably use 10 gallons of paint or less a month. Mr. Moore said that because such a small amount of paint is used, they probably would not qualify as a major source for the NESHAP, but they may be subject to the CTG. Again, Ms. Elmore pointed out that this type of information is useful to EPA and should be brought forward.

Mr. Moore stated that adhesives use is also being covered by the rule. Thus, there is the potential that facilities who do not paint plastics, but assemble them, will be covered as well. Mr. Johnson asked whether Mylar plates used in printing applications would be covered. Mr. Moore said that the coating of those plates for printing purposes would probably be covered under another NESHAP, such as printing or paper and other web, but he will look into it.

## ATTACHMENT A

### Agenda

#### Plastic Parts Surface Coating Small Business Stakeholder Subgroup Teleconference

Thursday, June 25, 1998 from 2 p.m - 3 p.m. (EST)  
Call-in number (919) 541-4486

- 2:00 Introduction
  - Roll call
  - Background information on the plastic parts project
  - Purpose in forming the group
- 2:10 Project Status
  - P-MACT process concluding
  - P-MACT document
  - Stakeholder meetings
  - Site visits
  - Industry surveys/information collection
- 2:25 Small Business Involvement
  - Identifying and contacting small business representatives
  - Identifying issues unique to small businesses
  - Collecting survey data from small businesses
- 2:40 Feedback: questions/comments/concerns
- 3:00 Adjourn

## ATTACHMENT B

### TELECONFERENCE PARTICIPANTS

Lilian Austin, U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards (summer intern)

Ed Bernheim, Exxene Corporation

Susan Buchanan, Eastern Research Group, Inc.

Justine Burt, Texas NRCC Small Business Assistance Program

Mark Collatz, Adhesive and Sealant Council

Dave Darling, National Paint and Coatings Association

(sitting in for Bob Nelson, National Paint and Coatings Association)

Greg DeAngelo, Eastern Research Group, Inc.

Deborah Elmore, U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards

Jennifer Haywood, Society of Plastics Industry

(sitting in for Lynne Harris, Society of Plastics Industry)

Fin Johnson, North Carolina Small Business Assistance Program

Ed Laird, Coating Resources Corporation

Charles Logan, Florida DEP Small Business Assistance Program

Tejuan Manners, U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards (summer intern)

John Melby, Wisconsin DNR Small Business Assistance Program

Bruce Moore, U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards

Tom Murphy, Coating Resources Corporation

Jim Newnon, Indiana Clean Manufacturing Technology Institute

Kim Teal, U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards

Heather Wright, Eastern Research Group, Inc.